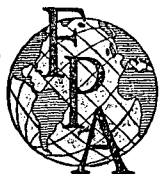


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FOREIGN POLICY BULLETIN

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RIGHTIST VICTORY MUST NOT ACT AS BRAKE ON JAPANESE DEMOCRACY

THE results of Japan's first post-war election indicate that conservatism remains the dominant theme in Japanese political life. Of the 466 members of the new Diet elected on April 10, the two conservative parties, the so-called Liberals and Progressives, captured 139 and 91 seats, respectively, the Social Democrats 92, the Cooperatives 16, the Communists 5, independent candidates 84, and various minor parties 38, while one seat requires a second balloting. Since many of the independents are close to the Progressives, and the Social Democrats are in the main very moderate, it is evident that the conservative victory is overwhelming.

The results are not surprising, since it was not to be expected that within seven months of defeat the Japanese would embrace liberal views, casting off tendencies indoctrinated in them over many years of militaristic rule. This fact is all the more understandable because the officials with whom our occupation forces have been dealing, from the Emperor and the Prime Minister down to the prefectural governors and local leaders, represent the more conservative groups in Japanese society. The Tojos and other overt warmakers have been removed and in many cases are awaiting punishment, but their Japanese successors are still far to the Right. This can be seen from the unwillingness of the present Shidehara cabinet to give more than lip-service to General MacArthur's directives on industrial and agrarian reforms.

FREEST JAPANESE ELECTIONS. Despite some manifestations of campaign violence and the supervision of the election by the Shidehara cabinet without representation of other elements, the balloting was unquestionably the freest in Japanese history. Not only was an exceptionally wide range of views presented to the voters, but women used the ballot

for the first time, and the voting age was reduced from twenty-five years to twenty-one. Of the 36,000,000 registered voters—more than twice as many as in any previous Japanese election—70 per cent went to the polls, a notable figure. Yet it must be recognized that the elections, considered in relation to their background, were not entirely free. For example, the rural housewife who voted for the first time, but cast her ballot in accordance with the "directives" of the local political boss, exercised a freedom that is still somewhat illusory.

With the results of the election before us, two main alternatives—or some combination of them—seem to be open: (1) to accept the vote as a healthy expression of the long-term desires of the Japanese people and to deal with the new cabinet as if it were virtually a genuine government, or (2) to regard the results largely as an early "poll" of Japanese sentiment that imposes no obligations on us. Taking the first course would have the effect of weakening the authority of the occupation forces and laying the basis for a premature end of the occupation, with all the dangers of militaristic resurgence that this would involve. The second course would be more likely to maintain the occupying authority intact, in fact as well as in principle, indicating clearly to the Japanese people that we expect them to go much further along the road of democratic evolution.

The meaning of these alternatives can be illustrated by the case of Ichiro Hatoyama, head of the Japanese Liberal party, which won the largest number of seats in the election. Should Premier Shidehara be unsuccessful in current maneuvers to retain his position, Hatoyama might succeed him. Yet Hatoyama is the man who wrote a book some years ago, praising Hitler and Mussolini and declaring

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China unfit for self-government. The extent of his opposition to Japanese aggression on the continent is indicated by his desire to end the China war on the basis of China's giving Japan six northern provinces. It is clear that, while Hatoyama is different from Tojo, persons of his type cannot be expected to develop a new Japan.

IS JAPAN READY FOR A CONSTITUTION?

The new Diet is expected to give early consideration to a new draft constitution issued by the Shidehara cabinet with General MacArthur's approval. This draft, which differs markedly from the old Japanese constitution, provides for a monarchy under an Emperor shorn of his governmental powers. It also renounces war for all time and pledges to Japanese citizens various rights, including—in addition to the usual clauses concerning freedom of speech, press, assembly, etc.—guarantees of an equal education, academic freedom, collective bargaining for workers, the right to work, and freedom from "discrimination in political, economic or social relations because of race, creed, sex, social status, or family origin." The Diet, consisting of two elective bodies—a House of Representatives and a House of Councilors—is to be "the sole law-making authority," and the cabinet is to be responsible to the Diet.

While many features of the constitution are impressive, it is difficult to see why it is necessary to adopt a definitive governmental charter at this time. Generally speaking, if a democratic constitution is to be lasting, it should proceed from a considerable body of popular experience and should give legal expression to achievements already registered in what promises to be enduring form. The United States constitution, for example, undoubtedly owes

much of its success to the fact that it was the product of many years experience in the art of self-government in the colonial legislatures. By comparison, the seven months of Japanese development under the occupation appear too short to justify constitutional action. It would seem best simply to junk the old constitution and to establish on a tentative basis such new administrative forms as are necessary for the functioning of the governmental machinery.

It is quite proper, for example, for General Headquarters, through its day-to-day directives, to deny the Japanese the power to wage war, or to insist on the extension of freedom in Japan. But to pretend that a constitution renouncing war or guaranteeing academic freedom represents the dominant outlook of the country today is to encourage complacency in the United States about the state of affairs in Japan. Moreover, adoption of the draft constitution would place an unnecessary stamp of approval on the institution of the Emperor, thereby prejudicing the future establishment of a Japanese republic, should the Japanese ultimately wish such a government.

Recent developments therefore emphasize the importance of keeping the Japanese political situation fluid and not committing ourselves to groups or policies that would act as a brake on further moves toward democracy. We are dealing in Japan not with free allies, but with a people who are still in the shadow of militarism, despite the progress they have been making. In such a situation we should not shirk our responsibility by imagining that the position we occupy is one of neutrality rather than active intervention.

LAWRENCE K. ROSINGER

NEW PLAN FOR GERMAN ECONOMY HINGES ON CENTRALIZED CONTROL

In accordance with the Potsdam Protocol of last July, the Allied Control Council has submitted a plan determining the amount and character of industrial equipment not required for the German peace economy and therefore available for reparations. This plan, which was submitted on March 28, would reduce the level of industry as a whole to about 50 to 55 per cent of the 1938 prewar level, excluding building and building materials industries. The guiding principles for reparations and the level of German postwar economy were given in the Potsdam Protocol; in applying these principles, however, differences developed in the Council with the result that the plan contains compromises. But these compromises were such as to make the plan coincide generally with the United States' point of view, which favored a greater reduction in steel capacity than the British wanted, but less than that desired by Russia.

ELIMINATION OF WAR POTENTIAL. The

Protocol envisaged for Germany a "production and maintenance of goods and services required to meet the needs of the occupying forces and displaced persons in Germany and essential to maintain in Germany average living standards not exceeding the average of standards of living of European countries." The reductions specified in the plan have this objective; and they are intended simultaneously to destroy German war potential and to make Germany self-supporting. The amount of capital equipment available for reparations is therefore determined indirectly. The plan bans entirely some industries, including armaments, as well as fourteen specific industries which were an integral part of the war economy, as for example, synthetic gasoline, oil, rubber, and ball and roller bearings. A second group of industries is to be reduced drastically. Included in this group is steel, vital in both war and peace. Steel capacity is set at 7,500,000 ingot tons, which may be further reduced; but ac-

tual steel production shall not exceed 5,800,000 ingot tons. Tonnages for nonferrous metals have also been scaled down, and maximum annual outputs fixed. Similarly, basic chemicals, pharmaceuticals, dyestuffs, and synthetic fibers are greatly reduced, as are machine tools and light and heavy engineering trades. A third group comprises those industries which will be retained, and some of which will contribute to maximizing agriculture, as for example, agricultural machinery. Moreover, since Germany cannot become a closed economy, exports will be necessary. Accordingly, optics and precision instruments, coal, potash, and certain other light consumer-goods industries are to become the mainstay of the new economy, and provide exports. Approved imports planned for 1949 are to be 3 billion marks, the same as exports. Payments for imports of food and fodder will be a first charge on the proceeds of exports, and are not to exceed 1.5 billion marks. The remaining 1.5 billion marks will cover costs of raw materials, transport, insurance and occupation expenses.

U.S. POLICY ON REPARATIONS. United States policy on reparations has, among other things, provided that German war potential be eliminated and that capital goods removed from Germany be distributed among the non-enemy nations of Europe in a manner to hasten the restoration and raising of their standards of living. Moreover, having in mind the fiasco of World War I reparations, our policy has been averse to any proposals which would require long-term reparations, with German productive capacity to meet them and, as after the last war, United States funds. By the same token, a plan which leaves the Germans insufficient resources to maintain themselves would be unacceptable to us for the obvious reason, again, that we would not want to make good their food shortages for a long period. Nor would we desire the German standard of living so lowered as to cause famine, pestilence and disorder. Agreements covering these points were incorporated in the Potsdam Protocol, and governed the work of the Council in drafting its plan. The Protocol made no provision for long-term reparations, the amount of which would in any event be directly affected by later decisions on plant removals. Given the drastic removals contemplated in the Control Council plan, it is not likely that any recurrent reparations will be possible.

CAN GERMANY BE MADE SELF-SUPPORTING? The United States, Britain and, to a lesser extent, France are now furnishing Germany food,

seeds and various other supplies. An important question, therefore, is whether the new plan will enable Germany to pay its way. Admittedly, certain of the assumptions underlying the plan are debatable, in particular the expectation that Germany will become a single economic unit, in accordance with the Potsdam Protocol. Economic unification is vital to the success of the plan; for if Germany is not so treated, the lack of coordination between the zones, with their diverse resources, will frustrate any efforts to compel the Germans to sustain themselves. The March report by the American Military Government states that economic conditions in our zone have deteriorated steadily "for want of implementation of the common policy and economic coordination for the whole of Germany." To date, central administrative agencies have not been set up. Furthermore, agreement has not been reached on the Ruhr and the Rhineland.

THE REACTION IN LONDON. Reports from London indicate growing dissatisfaction in official British circles with the Potsdam agreement, and the idea is being unofficially broached that at the coming meeting of the Foreign Ministers the entire German problem be reviewed, or a date set for a new conference to recast the agreement. Absence of central control would continue to accentuate the difficulties of economic administration in the western zone, and would in fact make impossible any plan whereby the Germans are to be self-sustaining. In any event, economic demobilization of Germany will cost us something; we should strive for policies which will moderate these costs. From a strictly political point of view, however, it may be desirable to subsidize the new German economy. Meanwhile, we are attempting to democratize the Germans on 1,200 calories a day, while in the Russian zone, where agricultural resources are greater, the ration is 1,600.

HAROLD H. HUTCHESON

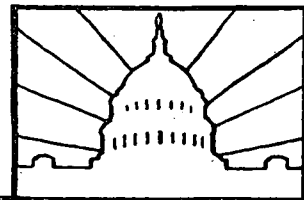
NEW RESEARCH STAFF MEMBER

The Association announces with pleasure the appointment to the Research Department of Harold H. Hutcheson. Mr. Hutcheson received his B.A. at the University of Richmond, studied at the University of Edinburgh, and received his Ph.D. at Johns Hopkins University. He has taught economics at Connecticut College for Women, and at Princeton and Johns Hopkins universities. During the war he served as Lieutenant-Commander in the U.S. Naval Reserve.

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Washington News Letter



DIPLOMATIC REVERSES RAISE QUESTIONS ABOUT U.S. POLICY

Efforts made by the United States in recent months to influence affairs in various countries, notably Argentina, Spain, Iran and Yugoslavia, have failed. The unsatisfactory consequences of our interventions call for a change in the conduct of our foreign policy. While United States foreign policy is based on the recognition that we have world-wide responsibilities in maintaining the peace, we have not yet hit on the diplomatic technique that will best guide us toward this goal.

POLICY TOWARD ARGENTINA. Our shortcomings in the conduct of foreign policy are apparent in our relations with Argentina. On February 11 the State Department published a Blue Book which accused that government of having aided Germany during World War II, and of failing to carry out treaty pledges made at Rio de Janeiro in 1942 and at Mexico City in 1945 to repress German influences in Argentina. The publication date suggested strongly that the United States hoped to deter Argentines from voting in the presidential election of February 24 for Colonel Juan Perón, the power behind the Farrell government.

On March 28 Perón's victory was assured. He won by 1,478,028 votes to 1,210,665 for his opponent, Tamborini. That victory was not in itself a complete rebuff to the United States, which intended to require that Perón rid himself of the Nazi influences described in the Blue Book before we would sign a treaty providing for mutual defense of the hemisphere to which Argentina would also be signatory. The other American Republics, however, overwhelmingly indicated their willingness to sign such a treaty with the new, legally constituted Argentine government. Unless the United States was to become isolated in inter-American affairs, a fundamental review of its Argentine policy seemed necessary.

In recognition of Perón's victory, the United States on April 2 informed the Argentine government that it had appointed George S. Messersmith Ambassador to Argentina, to fill the post left purposely vacant since last August when Spruille Braden was named Assistant Secretary of State. Lest Argentina consider this nomination a complete abandonment of the policy which led us to publish the Blue Book, the State Department on April 8 indicated that it would sign a hemisphere treaty with Perón provided he carries out existing treaty pledges to eliminate Axis influences. This conditional announcement was aimed primarily at Ludwig Freude, Perón's intimate adviser, whom the

Blue Book described as leader of the Nazi German colony in Buenos Aires. But President Truman's address to the Pan American Union on April 15, calling for inter-American solidarity against the threat of atomic warfare, was interpreted by Latin Americans as further evidence that the United States was modifying its Argentine policy.

OTHER REBUFFS. Developments in other quarters also disclose the United States' inability to achieve its immediate aims in international relations. On March 4 the State Department issued a set of documents captured in Germany which depicted General Franco as an active Axis collaborator who had given Germany and Italy military help during World War II. At the same time the United States, France and the United Kingdom called on the Spanish people to oust Franco by peaceful means. Yet Franco still controls Spain, while in the central Mediterranean area United States interference has also been rebuffed. On April 2 the United States, in an unusual judicial intervention, requested Yugoslavia to permit U.S. soldiers to testify on behalf of General Draja Mikhailovitch, whom the Yugoslav government has accused of collaborating with the enemy. On April 5 this request was refused.

On March 25 Secretary of State Byrnes told the United Nations Security Council that this country supported the right of Iran to accuse Russia of interfering in Iranian affairs in a manner that threatened world peace. While on April 4 the United States and other members of the Council accepted Russia's assurances that it would withdraw its troops—the chief instrument of intervention—from Iran by May 6, Russia nevertheless solidified its economic and political relationship with Iran a day later by obtaining a tentative promise of an oil concession and by freezing, for practical purposes, the autonomy of Azerbaijan. Thus Russian interference in Iran continues on a firm basis despite our desire to terminate it.

To strengthen our diplomacy in the Western Hemisphere, many Senators suggest that the United States act only through established channels for inter-American cooperation and abide by the wishes of the majority. Perhaps our world-wide diplomacy would gain if we resorted to the United Nations whenever we feel it desirable to intervene in another's affairs and would seek, in our representations to the United Nations, to get at the roots of problems abroad rather than deal with surface manifestations.

BLAIR BOLLES